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#### DEPARTMENT OF COMMERCE

**International Trade Administration** 

[A-570-970]

Multilayered Wood Flooring from the People's Republic of China: Preliminary Rescission of 2013 – 2014 Antidumping Duty New Shipper Review

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: The Department of Commerce ("the Department") is conducting a new shipper review ("NSR") of the antidumping duty order on multilayered wood flooring ("MLWF") from the People's Republic of China ("PRC"). The NSR covers one exporter and producer of subject merchandise, Qingdao Barry Flooring Co., Ltd ("Qingdao Barry"). The period of review ("POR") is December 1, 2013 through November 30, 2014. The Department preliminarily determines that Qingdao Barry's sale to the United States is not *bona fide*, as required by section 751(a)(2)(B)(iv) of the Tariff Act of 1930, as amended ("the Act"). Therefore, we are preliminarily rescinding this NSR. Interested parties are invited to comment on the preliminary results of this review.

DATES: Effective [Insert date of publication in the *Federal Register*].

FOR FURTHER INFORMATION CONTACT: Maisha Cryor, AD/CVD Operations, Office IV, Enforcement and Compliance, International Trade Administration, Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-5831.

# SUPPLEMENTARY INFORMATION:

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<sup>&</sup>lt;sup>1</sup> On February 24, 2016, the President of the United States signed into law the Trade Facilitation and Trade Enforcement Act of 2015, Pub. Law 114-125 (Feb. 24, 2016), which made amendments to section 751(a)(2)(B) of the Act. These amendments apply to this determination.

## **Background**

On October 26, 2015, the Department published a notice of initiation of a new shipper review of the antidumping duty order on MLWF from the PRC.<sup>2</sup> The Department subsequently issued an antidumping duty questionnaire, and supplemental questionnaires, to Qingdao Barry and received timely responses thereto. Also, Qingdao Barry submitted comments on surrogate country and surrogate value selection.<sup>3</sup> No other party submitted comments. The Department extended the deadline for issuing the preliminary results of this review until May 20, 2016.<sup>4</sup> Scope of the Order

The merchandise covered by the order is multilayered wood flooring, which is composed of an assembly of two or more layers or plies of wood veneers<sup>5</sup> in combination with a core.<sup>6</sup> Merchandise covered by this review is classifiable under subheadings 4412.31.0520; 4412.31.0540; 4412.31.0560; 4412.31.2510; 4412.31.2520; 4412.31.4040; 4412.31.4050; 4412.31.4060; 4412.31.4070; 4412.31.4075; 4412.31.4080; 4412.31.5125; 4412.31.5135; 4412.31.5155; 4412.31.5165; 4412.31.6000; 4412.31.9100; 4412.32.0520; 4412.32.0540;

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<sup>&</sup>lt;sup>2</sup> See Multilayered Wood Flooring From the People's Republic of China: Initiation of Antidumping Duty New Shipper Review, 80 FR 65200 (October 26, 2015) ("Initiation Notice"). In that notice, we explained that the review was being initiated in accordance with an order entered by the U.S. Court of International Trade, wherein the Court authorized the Department to initiate and conduct this new shipper review based on Qingdao Barry's December 19, 2014, review request.

<sup>&</sup>lt;sup>3</sup> See "Multilayered Wood Flooring from the People's Republic of China: Submission of Comparable Surrogate Country Comments," dated February 16, 2016; see also "Multilayered Wood Flooring from the People's Republic of China: Submission of Surrogate Value Information," dated February 23, 2016.

<sup>&</sup>lt;sup>4</sup> See the memorandum to Christian Marsh, Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, from Maisha Cryor, Office IV, Antidumping and Countervailing Duty Operations, entitled, "Multilayered Wood Flooring from the People's Republic of China: Extension of Deadline for Preliminary Results of Antidumping Duty New Shipper Review" dated April 14, 2016.

<sup>&</sup>lt;sup>5</sup> A "veneer" is a thin slice of wood, rotary cut, sliced or sawed from a log, bolt or flitch. Veneer is referred to as a ply when assembled.

<sup>6</sup> For a complete description of the scope of the order, *see* Memorandum from Christian Marsh, Deputy Assistant

<sup>&</sup>lt;sup>6</sup> For a complete description of the scope of the order, *see* Memorandum from Christian Marsh, Deputy Assistant Secretary for Antidumping and Countervailing Operations, to Paul Piquado, Assistant Secretary for Enforcement and Compliance, entitled "Preliminary Rescission of the 2013-2014 Antidumping Duty New Shipper Review: Multilayered Wood Flooring from the People's Republic of China" issued concurrently with and hereby adopted by this notice ("Preliminary Decision Memorandum").

4412.32.0560; 4412.32.0565; 4412.32.0570; 4412.32.2510; 4412.32.2520; 4412.32.2525; 4412.32.2530; 4412.32.3125; 4412.32.3135; 4412.32.3155; 4412.32.3165; 4412.32.3175; 4412.32.3185; 4412.32.5600; 4412.39.1000; 4412.39.3000; 4412.39.4011; 4412.39.4012; 4412.39.4019; 4412.39.4031; 4412.39.4032; 4412.39.4039; 4412.39.4051; 4412.39.4052; 4412.39.4059; 4412.39.4061; 4412.39.4062; 4412.39.4069; 4412.39.5010; 4412.39.5030; 4412.39.5050; 4412.94.1030; 4412.94.1050; 4412.94.3105; 4412.94.3111; 4412.94.3121; 4412.94.3131; 4412.94.3141; 4412.94.3160; 4412.94.3171; 4412.94.4100; 4412.94.5100; 4412.94.6000; 4412.94.7000; 4412.94.8000; 4412.94.9000; 4412.94.9500; 4412.99.0600; 4412.99.1020; 4412.99.1030; 4412.99.1040; 4412.99.3110; 4412.99.3120; 4412.99.3130; 4412.99.3140; 4412.99.3150; 4412.99.3160; 4412.99.3170; 4412.99.4100; 4412.99.5100; 4412.99.5105; 4412.99.5115; 4412.99.5710; 4412.99.6000; 4412.99.7000; 4412.99.8000; 4412.99.9000; 4412.99.9500; 4418.71.2000; 4418.71.9000; 4418.72.2000; 4418.72.9500; and 9801.00.2500 of the Harmonized Tariff Schedule of the United States ("HTSUS"). Although the HTSUS subheadings are provided for convenience and customs purposes, our written description of the scope of the order is dispositive.

#### Methodology

The Department is conducting this review in accordance with section 751(a)(2)(B) of the Act and 19 CFR 351.214. For a full description of the methodology underlying our conclusions, see the Preliminary Decision Memorandum. The Preliminary Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System ("ACCESS"). ACCESS is available to registered users at <a href="http://access.trade.gov">http://access.trade.gov</a> and in the Central Records Unit, room B8024 of the main Department of Commerce building. In addition, a complete version of the Preliminary

Decision Memorandum can be accessed directly on the internet at

<a href="http://www.trade.gov/enforcement/">http://www.trade.gov/enforcement/</a>. The signed Preliminary Decision Memorandum and the electronic versions of the Preliminary Decision Memorandum are identical in content.

<a href="Preliminary Rescission of the Antidumping New Shipper Review of Qingdao Barry">http://www.trade.gov/enforcement/</a>. The signed Preliminary Decision Memorandum are identical in content.

<a href="Preliminary Rescission of the Antidumping New Shipper Review of Qingdao Barry">http://www.trade.gov/enforcement/</a>.

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<a href="Preliminary Rescission of the Antidumping New Shipper Review of Qingdao Barry">Preliminary Rescission of the Review of Qingdao Barry</a>.

As discussed in the *Bona Fide* Sales Analysis Memorandum,<sup>7</sup> the Department preliminarily finds that the sale made by Qingdao Barry to the United States is not a *bona fide* sale. The Department reached this conclusion based on the totality of circumstances surrounding the reported sale, including, among other things, the price of the sale and Qingdao Barry's failure to provide evidence that the subject merchandise was resold at a profit. Because the non-*bona fide* sale was the only reported sale of subject merchandise during the POR, and thus there are no reviewable transactions on this record, we are preliminarily rescinding the instant NSR. Because much of the factual information used in our analysis of Qingdao Barry's sale involves business proprietary information, a full discussion of the basis for our preliminary determination is set forth in the *Bona Fide* Sales Analysis Memorandum, which is on the record of this proceeding. Public Comment

Interested parties may submit case briefs no later than 14 days after the date of publication of the preliminary results of review.<sup>8</sup> Rebuttals to case briefs may be filed no later than five days after the briefs are filed.<sup>9</sup> All rebuttal comments must be limited to comments

raised in the case briefs. 10

<sup>&</sup>lt;sup>7</sup> See Memorandum from Maisha Cryor, Office IV AD/CVD Operations, to Abdelali Elouaradia, Director, Enforcement and Compliance, Office IV entitled "Antidumping Duty New Shipper Review of Multilayered Wood Flooring from the People's Republic of China: Preliminary *Bona Fide* Sale Analysis for Qingdao Barry Flooring Co., Ltd., dated concurrently with and hereby adopted by this notice ("*Bona Fide* Sales Analysis Memorandum").

<sup>8</sup> Note that the Department is altering the time limit for the submission of case briefs. See 19 CFR 351.309(c)(1)(ii).

<sup>&</sup>lt;sup>9</sup> See 19 CFR 351.309(d)(1).

<sup>&</sup>lt;sup>10</sup> See 19 CFR 351.309(d)(2).

Interested parties who wish to request a hearing must submit a written request to the Assistant Secretary for Enforcement & Compliance, U.S. Department of Commerce, within 30 days after the date of publication of this notice. 11 Requests should contain the party's name, address, and telephone number, the number of participants, and a list of the issues to be discussed. Oral argument presentations will be limited to issues raised in the briefs. If a request for a hearing is made, the Department intends to hold the hearing at the U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230, at a date and time to be determined. 12 Parties should confirm by telephone the date, time, and location of the hearing two days before the scheduled date.

All submissions, with limited exceptions, must be filed electronically using ACCESS. An electronically filed document must be received successfully in its entirety by the Department's electronic records system, ACCESS, by 5 p.m. Eastern Time ("ET") on the due date. Documents excepted from the electronic submission requirements must be filed manually (i.e., in paper form) with the APO/Dockets Unit in Room 18022, and stamped with the date and time of receipt by 5 p.m. ET on the due date. 13

The Department intends to issue the final results of this NSR, which will include the results of its analysis of issues raised in any briefs received, no later than 90 days after the date these preliminary results of review are issued pursuant to section 751(a)(2)(B)(iii) of the Act.

<sup>&</sup>lt;sup>11</sup> See 19 CFR 351.310(c). <sup>12</sup> See 19 CFR 351.310(d).

<sup>&</sup>lt;sup>13</sup> See Antidumping and Countervailing Duty Proceedings: Electronic Filing Procedures; Administrative Protective Order Procedures, 76 FR 39263 (July 6, 2011).

#### Assessment Rates

If the Department proceeds to a final rescission of Qingdao Barry's NSR, the assessment rate to which Qingdao Barry's shipments will be subject will remain unchanged. However, the Department initiated an administrative review of the antidumping duty order on MLWF from the PRC covering numerous exporters, including Qingdao Barry, and the period December 1, 2013 through November 30, 2014, which encompasses the POR of this NSR. Thus, if the Department proceeds to a final rescission, we will instruct U.S. Customs and Border Protection ("CBP") to continue to suspend entries during the period December 1, 2013, through November 30, 2014 of subject merchandise exported by Qingdao Barry until CBP receives instructions relating to the administrative review of this order covering the period December 1, 2013 through November 30, 2014.

If the Department does not proceed to a final rescission of this new shipper review, pursuant to 19 CFR 351.212(b)(1), we will calculate an importer-specific (or customer) assessment rate based on the final results of this review. However, pursuant to the Department's refinement to its assessment practice in NME cases, for entries that were not reported in the U.S. sales database submitted by Qingdao Barry, the Department will instruct CBP to liquidate such entries at the PRC-wide rate. <sup>15</sup>

### Cash Deposit Requirements

Effective upon publication of the final rescission or the final results of this NSR, the

Department will instruct CBP to discontinue the option of posting a bond or security in lieu of a

<sup>14</sup> See Initiation of Antidumping and Countervailing Duty Administrative Reviews, 80 FR 6041, 6044-45 (February 4, 2015).

<sup>&</sup>lt;sup>15</sup> For a full discussion of this practice, see Non-Market Economy Antidumping Proceedings: Assessment of Antidumping Duties, 76 FR 65694 (October 24, 2011).

cash deposit for entries of subject merchandise by Qingdao Barry. If the Department proceeds to

a final rescission of this new shipper review, the cash deposit rate will continue to be the

PRC-wide rate for Qingdao Barry because the Department will not have determined an

individual margin of dumping for Qingdao Barry. If the Department issues final results for this

new shipper review, the Department will instruct CBP to collect cash deposits, effective upon the

publication of the final results, at the rates established therein.

Notification to Importers

This notice also serves as a preliminary reminder to importers of their responsibility

under 19 CFR 351.402(f)(2) to file a certificate regarding the reimbursement of antidumping

duties prior to liquidation of the relevant entries during this review period. Failure to comply

with this requirement could result in the Department's presumption that reimbursement of

antidumping duties occurred and the subsequent assessment of double antidumping duties.

We are issuing and publishing these results in accordance with sections 751(a)(2)(B) and

777(i)(1) of the Act.

Dated: May 24, 2016.

Paul Piquado,

**Assistant Secretary** 

for Enforcement and Compliance.

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# Appendix I

List of Topics Discussed in the Preliminary Decision Memorandum

- 1. Scope
- 2. Bona Fide Sales Analysis

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